

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  MIDAMERICAN ENERGY COMPANY	DOCKET NO. TF-02-62 (TF-99-269)
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**ORDER GRANTING EXTENSION**

(Issued March 8, 2002)

On February 8, 2002, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) a request to extend the three-year pilot project for the Optional - Off Peak Firm Service Rider for an additional year to October 11, 2003. The request for extension has been identified as Docket No. TF-02-62. The Board approved the original tariff in Docket No. TF-99-269 as a pilot project in an order issued October 11, 1999. The rider provides MidAmerican's small and large volume transportation seasonal customers the option to have firm gas supply during the off peak period from April through November. The customer could be interrupted during the peak period of December through March. The seasonal customers' gas load use is mostly during off peak periods.

MidAmerican developed the rider surcharge in order to charge seasonal customers with the incremental firm capacity cost of keeping these customers on firm service during the customers' peak business periods. Customers who elect the service would pay the surcharge on all their usage since the cost of this incremental capacity for the off peak period is spread on their annual usage. The surcharge rider

will be included as part of the interruptible purchased gas adjustment (PGA) factor. The surcharge rider is calculated based on the market index prices for release of interstate pipeline transport capacity during off peak periods. Each year, the surcharge rider will be reviewed and a new surcharge will be made effective in April of each year.

The Board will grant the request for an extension of the surcharge rider. The rider has been a reasonable way of alleviating a problem that has existed with a small number of customers. The rider allows those customers the choice of being on firm service for the time they need firm service without having to pay for the firm service needed by MidAmerican during peak periods.

**IT IS THEREFORE ORDERED:**

The request for a one-year extension of the pilot project for the Optional - Off Peak Firm Service Rider filed by MidAmerican Energy Company on February 8, 2002, is granted.

**UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 8<sup>th</sup> day of March, 2002.